



SHERYL L. SPILLER
Director

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES
12860 CROSSROADS PARKWAY SOUTH • CITY OF INDUSTRY, CALIFORNIA 91746
Tel (562) 908-8400 • Fax (562) 695-4801

Board of Supervisors
GLORIA MOLINA
First District
MARK RIDLEY-THOMAS
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

June 10, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

25 June 10, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**REQUEST TO APPROVE TERMINATION FOR CONVENIENCE CALFRESH APPLICATION
ASSISTANCE SERVICES CONTRACT WITH FOUR CONTRACTORS
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

The Department of Public Social Services (DPSS) seeks approval to terminate for convenience four CalFresh Application Assistance Services (CFAAS) contracts. The County of Los Angeles (County), through DPSS, finds it is in the County's best interest to terminate these contracts, and the contractors are in agreement. The contracts are being terminated at the request of (in alphabetical order) the Information and Referral Federation of Los Angeles (dba: 211 LA County), Korean American Family Services (KAFS), Testimonial Community Love Center (TCLC), and Thai Community Development Center (Thai CDC).

IT IS RECOMMENDED THAT THE BOARD:

1. Approve the termination for convenience of four CalFresh Application Assistance Services contracts, contract numbers CFA13011 with 211 LA County, CFA13012 with KAFS, CFA13015 with TCLC, and CFA13016 with Thai CDC, as deemed in the best interest of the County, and direct the Director of DPSS or her designee to issue notices of termination forthwith.
2. Delegate authority to the Director of DPSS or her designee to terminate additional contracts:
 - Upon written request by the Contractor, and when it is determined it is in the best interest of the County; or
 - When the Contractor fails to perform satisfactorily on all or any portion of the work required in a

timely manner, or to properly carry out the provisions of the contract; or

- Should Contractor neglect, inadequately respond, or refuse to provide a means for satisfactory compliance with this contract, and with the corrective actions provided by the County within the time specified in such notice or report, DPSS shall terminate the activities of the Contractor in whole or in part.

The approval of County Counsel will be obtained prior to executing terminations. The Director will notify the Board and the Chief Executive Office within ten business days of executing such terminations.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Contractors requested termination of their contract, because the cost of doing business exceeds the stipend received by the Contractors for approved applications; therefore, it is not feasible for these Contractors to continue with the CFAAS contracts. The recommended action to terminate the contracts is in the County's best interest. DPSS made significant efforts to assist these four agencies to be successful and provided them with technical assistance in the form of trainings, quarterly meetings, and one-on-one support.

Implementation of Strategic Plan Goals

The recommended action is consistent with the principles of the Countywide Strategic Plan, Goal 1, Operational Effectiveness: Maximize the effectiveness of the process, structure, and operations to support timely delivery of customer-oriented and efficient public service.

FISCAL IMPACT/FINANCING

The four CFAAS contracts are funded by the DPSS CalFresh Administration allocation, which pays for the costs of administering the CalFresh Program, and is included in the Department's Adopted Budget for FY 13-14. The combined contract amount of \$18,182 for these four contracts will be released back to the CalFresh Administration allocation upon termination of these four contracts and can be reallocated to fund new contracts resulting from submission of Statements of Qualification (SOQ), which are evaluated as either meeting or exceeding the standards set forth in the Request for Statement of Qualifications (RFSQ).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Department entered into agreements with 17 contractors for the provision of CalFresh Application Assistance Project services, effective January 1, 2013 through December 31, 2015. The contractors were selected under a RFSQ process released by DPSS on September 18, 2012. The RFSQ is an ongoing process from which new contractors may be chosen, provided the prospective contractors submit SOQs which are evaluated as either meeting or exceeding the standards set forth in the RFSQ.

DPSS partners with community-based and faith-based organizations to provide CalFresh application assistance services to families and individuals in all Supervisorial Districts within the County of Los Angeles.

Currently, the participating agencies receive a stipend of \$46 per approved paper-based CalFresh

application and \$52 per approved online Your-Benefits-Now CalFresh application. The Contractors do not receive the stipend for applications which are denied.

Since July 1, 2013, two of the four contractors have submitted invoices with zero billings, thus have not received any payment. The third contractor submitted and received payment for two months and submitted zero billings for four months. The fourth contractor submitted and received payment for three months, and submitted zero billings for three months. However, the Contractors requested their contract be terminated due to the high cost of administering the program. Contractors continue to submit invoices with zero billings as the contracts remain active.

CONTRACTING PROCESS

The CalFresh Application Assistance Services contract permits the County to terminate the contract without cause upon ten-day notice when termination is deemed by the County to be in its best interest. Upon the Board's approval, DPSS will provide notices of termination to the four contractors, which will be effective ten days after the notice is sent.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no adverse impact. All participants affected by these terminations can be absorbed by the remaining 13 agencies whose maximum annual budgets have not been expended. In addition, the DPSS Director has delegated authority to award additional contracts from the ongoing RFSQ from submitted SOQs which are evaluated as either meeting or exceeding the standards set forth in the RFSQ.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the Director of DPSS.

Respectfully submitted,



SHERYL L. SPILLER

Director

SLS:mss

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Deputy Chief Executive Officer